

**Fill in this information to identify the case**

United States Bankruptcy Court for the:

Southern District of New York  
(State)

Case number (If known): Chapter 11

☐ Check if this is an amended filing

**Official Form 201**

**Voluntary Petition for Non-Individuals Filing for Bankruptcy**

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

**1. Debtor's name** Sears Holdings Corporation

**2. All other names debtor used in the last 8 years** See Schedule 1

Include any assumed names, trade names, and *doing business as* names

**3. Debtor's federal Employer Identification Number (EIN)** 20-1920798

**4. Debtor's address** **Principal place of business**

3333 Beverly Road  
Number Street

Hoffman Estates Illinois 60179  
City State ZIP Code

Cook County  
County

**Mailing address, if different from principal place of business**

Number Street

P.O. Box

City State ZIP Code

**Location of principal assets, if different from principal place of business**

Number Street

City State ZIP Code

**5. Debtor's website (URL)** www.searsholdings.com

**6. Type of debtor**

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify:

**7. Describe debtor's business**

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))  
☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))  
☐ Railroad (as defined in 11 U.S.C. § 101(44))  
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))  
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))  
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))  
☒ None of the above Retail

B. Check all that apply:

- ☐ Tax- entity (as described in 26 U.S.C. § 501)  
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)  
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

SIC Code 5311 (NAICS Code 4521)

**8. Under which chapter of the Bankruptcy Code is the debtor filing?**

Check one:

- ☐ Chapter 7  
☐ Chapter 9  
☒ Chapter 11. Check all that apply:
  - ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
  - ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
  - ☐ A plan is being filed with this petition.
  - ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
  - ☒ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
  - ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
- ☐ Chapter 12

**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**☒ No☐ Yes

District \_\_\_\_\_ When \_\_\_\_\_ Case number \_\_\_\_\_

MM/ DD/ YYYY

District \_\_\_\_\_ When \_\_\_\_\_ Case number \_\_\_\_\_

MM / DD/ YYYY

If more than 2 cases, attach a separate list.

**10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?**☐ No☒ Yes

Debtor See Schedule 2 Relationship See Schedule 2

District See Schedule 2 When See Schedule 2

Case number, if known \_\_\_\_\_ MM / DD/ YYYY

List all cases. If more than 1, attach a separate list.

**11. Why is the case filed in this district?***Check all that apply:*

- ☐ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☒ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

**12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?**☒ No☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention?** *(Check all that apply.)*

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? \_\_\_\_\_

- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

☐ Other \_\_\_\_\_**Where is the property?**

Number \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

ZIP Code \_\_\_\_\_

**Is the property insured?**☐ No☐ Yes. Insurance agency \_\_\_\_\_

Contact Name \_\_\_\_\_

Phone \_\_\_\_\_

Statistical and administrative information

**13. Debtor's estimation of available funds***Check one:*

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

**14. Estimated number of creditors (on a consolidated basis)**☐ 1-49☐ 1,000-5,000☐ 25,001-50,000☐ 50-99☐ 5,001-10,000☐ 50,001-100,000☐ 100-199☐ 10,001-25,000☒ More than 100,000☐ 200-999**15. Estimated assets (on a consolidated basis)**☐ \$0-\$50,000☐ \$1,000,001-\$10 million☐ \$500,000,001-\$1 billion☐ \$50,001-\$100,000☐ \$10,000,001-\$50 million☒ \$1,000,000,001-\$10 billion☐ \$100,001-\$500,000☐ \$50,000,001-\$100 million☐ \$10,000,000,001-\$50 billion☐ \$500,001-\$1 million☐ \$100,000,001-\$500 million☐ More than \$50 billion**16. Estimated liabilities (on a consolidated basis)**☐ \$0-\$50,000☐ \$1,000,001-\$10 million☐ \$500,000,001-\$1 billion☐ \$50,001-\$100,000☐ \$10,000,001-\$50 million☐ \$1,000,000,001-\$10 billion☐ \$100,001-\$500,000☐ \$50,000,001-\$100 million☒ \$10,000,000,001-\$50 billion☐ \$500,001-\$1 million☐ \$100,000,001-\$500 million☐ More than \$50 billion

Request for Relief, Declaration, and Signatures

**WARNING** – Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature of authorized representative of debtor**

- The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
- I have been authorized to file this petition on behalf of the debtor.
- I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 15, 2018  
 MM / DD / YYYY

x

/s/ Mohsin Y. Meghji

Signature of authorized representative of debtor

Mohsin Y. Meghji

Printed name

Chief Restructuring Officer

Title

**18. Signature of attorney**

x

/s/ Jacqueline Marcus

Signature of attorney for debtor

Date October 15, 2018

MM / DD / YYYY

Jacqueline Marcus

Printed Name

Weil, Gotshal & Manges LLP

Firm Name

767 Fifth Avenue

Number Street

New York

City

New York

State

10153

ZIP Code

(212) 310-8000

Contact phone

jacqueline.marcus@weil.com

Email address

1867746

Bar Number

New York

State

**All Other Names Used By the Debtor or its Affiliates in the Last 8 Years**

A&E Factory Service	Kmart Pharmacies of Minnesota, Inc.
Accents for Less	Kmart Pharmacies, Inc.
American Siding & Deck, Inc.	Kmart Properties, Inc.
American Windows & Sash, Inc.	Kmart Stores of Indiana, Inc.
Appliance Liquidators	Kmart Stores of TNCP, Inc.
Austin Technology Center	KMI, Inc.
Bath and Kitchen Elegance	Koolvent Aluminum Products, Inc.
Bath and Kitchen Elegance of the Desert	Kresge - Kmart Limited
Big Beaver of Caguas Development Corporation	Little Caesars
Big Beaver of Caguas Development Corporation II	Max Acquisition Delaware Inc.
Big Kmart	McKids
Big Kmart (#3680)	McKids The Store
Central Wholesale Appliance Supply, Inc.	McPhail's Appliances
Chantell Marketing	MetaScale Technologies India Private Limited
Circle of Beauty Inc.	Monark
Delver	Monark Holdings Inc.
Delver.com	Monark of California
Designer Depot	Monark Premium Appliance Co.
Eblon Technologies India Private Limited	Monark Premium Appliance Co. of Arizona
Evoke Productions	Monark Premium Appliance Co. of California
FitStudio by Sears	MXSV, Inc.
Florida Builder Appliances, Inc.	NTB - National Tire and Battery
Garment Rack	NTB-National Tire & Battery
HDC Holding Company of Delaware, Inc.	PMB, Inc.
HO. Tampa Development Co.	Prairie Buck I, Inc.
HO. Tysons Office Investment Co.	Prairie Buck II, Inc.
ILJ, Inc.	Private Brands, Ltd.
JAF, Inc.	Relay LLC
KC Kelley Group	San Diego Appliance Sales
Kenmore Direct	Sears
Kids Stockroom	Sears #1284
Kmart	Sears Acquisition Corp.
Kmart Acquisition Corp.	Sears Auto Center
Kmart Apparel Corp.	Sears Auto Center #6582
Kmart Apparel Fashions Corp.	Sears Auto Centers
Kmart Apparel Leasing Corp.	Sears Carpet and Upholstery Care, Inc.
Kmart Apparel Service of Atlanta Corp.	Sears Essentials
Kmart Apparel Service of Des Plaines Corp.	Sears Grand
Kmart Apparel Service of Sunnyvale Corp.	Sears Grand #1673
Kmart Corporation	Sears Holdings Management Corporation
Kmart Enterprises, Inc.	Sears Home Appliance Showrooms
Kmart Far East Limited	Sears Home Improvement Products (South), Inc.
Kmart Financing I	Sears Home Services
Kmart Global Sourcing Ltd.	Sears Home&Life
Kmart Holding Company	Sears Lessee Operations, LLC
Kmart Holdings, Inc.	Sears Logistics Services
Kmart Lessee Operations, LLC	Sears Logistics Services, Inc.
Kmart Management Corporation	Sears Merchandise Group
Kmart Michigan Property Services, L.L.C.	Sears Merchandise Group, Inc.
Kmart of Amsterdam, NY Distribution Center, Inc.	Sears New York Insurance Agency
Kmart of Pennsylvania LP	Sears Oklahoma Insurance Agency

**Schedule 1**

**All Other Names Used By the Debtor or its Affiliates in the Last 8 Years**

Sears Protection Company Inc.
Sears Protection Company, Inc.
Sears Technology Services LLC
Sears, Roebuck de Mexico, S.A. de C.V.
Sears, Wishbook, Inc.
ServiceLive Direct
SHMC, Inc.
Shop Your Way Local, LLC
shopyourway.com
Sourcing and Technical Services, Inc.
SRC O.P. LLC
SRC Real Estate (TX), LLC
Standards of Excellence
Standards of Excellence Outlet Store
Super K
Super Kmart
SUPER KMART CENTER
Super Kmart Center
Texas Bluelight.com Inc.

The Annexx Restaurant
The Great Indoors
Tire Property Holding, Inc.
Tri-Valley Crossings
Troy CMBS Property, L.L.C.
Westar Kitchen & Bath LLC
Westar Kitchen and Bath
Westar Kitchen and Bath, LLC
Western Bluelight.com LLC
WestStar Kitchen and Bath
WestStar Kitchen and Bath LLC
Continental Carpet Cleaning, Inc.
Sears Carpet and Upholstery Care, Inc.
Print Procurement Company, LLC
Print Production Company, LLC
Relay LLC
Shop Your Way Local, LLC
Sears New York Insurance Agency
Sears Oklahoma Insurance Agency

## Schedule 2

### **Pending Bankruptcy Cases Filed by the Debtor and Affiliates of the Debtor**

On the date hereof, each of the affiliated entities listed below, including the debtor in this chapter 11 case, filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the “Court”). A motion will be filed with the Court requesting that the chapter 11 cases of the entities listed below be consolidated for procedural purposes only and jointly administered, pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure, under the case number assigned to the chapter 11 case of Sears Holdings Corporation.

COMPANY	CASE NUMBER	DATE FILED	DISTRICT	JUDGE
Sears, Roebuck and Co.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Holdings Corporation	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart Holding Corporation	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart Operations LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Operations LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
ServiceLive, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
A&E Factory Service, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
A&E Home Delivery, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
A&E Lawn & Garden, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
A&E Signature Service, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
FBA Holdings Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Innovel Solutions, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart Corporation	18-____( )	October 15, 2018	S.D.N.Y.	Pending
MaxServ, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Private Brands, Ltd.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Development Co.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Holdings Management Corporation	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Home & Business Franchises, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Home Improvement Products, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Insurance Services, L.L.C.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Procurement Services, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Protection Company	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Protection Company (PR) Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Roebuck Acceptance Corp.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears, Roebuck de Puerto Rico, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending

**Pending Bankruptcy Cases Filed by the Debtor and Affiliates of the Debtor**

COMPANY	CASE NUMBER	DATE FILED	DISTRICT	JUDGE
SYW Relay LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Wally Labs LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Big Beaver of Florida Development, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
California Builder Appliances, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Florida Builder Appliances, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
KBL Holding Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
KLC, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart of Michigan, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart of Washington LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart Stores of Illinois LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart Stores of Texas LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
MyGofer LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Brands Business Unit Corporation	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Holdings Publishing Company, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Protection Company (Florida), L.L.C.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
SHC Desert Springs, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
SOE, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
StarWest, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
STI Merchandising, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Troy Coolidge No. 13, LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
BlueLight.com, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Brands, L.L.C.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Buying Services, Inc.	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Kmart.com LLC	18-____( )	October 15, 2018	S.D.N.Y.	Pending
Sears Brands Management Corporation	18-____( )	October 15, 2018	S.D.N.Y.	Pending

**Fill in this information to identify the case:**

Debtor name: Sears Holdings Corporation  
 United States Bankruptcy Court for the: Southern District of New York  
(State)  
 Case number (If known): \_\_\_\_\_

**Attachment to Voluntary Petition for  
Non-Individuals Filing for Bankruptcy under Chapter 11**

If any of the debtor's securities are registered under Section 12 of the Securities Exchange Act of 1934, the SEC file number 001-36693.

The following financial data is the latest available information and refers to the debtor's condition on August 4, 2018.

Total assets	<u>\$6.937 billion</u>
Total debts (including debts listed in 2.c., below)	<u>\$11.339 billion</u>
Debt securities held by more than 500 holders:	

				Approximate number of holder
secured <input checked="" type="checkbox"/>	unsecured <input type="checkbox"/>	subordinated <input type="checkbox"/>	\$175 million in 6.625% 2L Notes (non-PIK)	Unknown
secured <input type="checkbox"/>	unsecured <input checked="" type="checkbox"/>	subordinated <input type="checkbox"/>	\$411 million in \$8.00% Unsecured Notes (non-PIK)	Unknown
secured <input type="checkbox"/>	unsecured <input checked="" type="checkbox"/>	subordinated <input type="checkbox"/>	\$186 million in SRAC Unsecured Notes (non-PIK)	Unknown

Number of shares of preferred stock	<u>20 million shares authorized zero outstanding</u>
Number of shares common stock	<u>Approx. 108,750,000</u>

Comments, if any: \_\_\_\_\_

*Brief description of debtor's business:* Sears Holdings Corporation ("**Holdings**") is an integrated retailer with significant physical and intangible assets, as well as virtual capabilities enabled through technology. At August 4, 2018, Holdings operated a national network of stores with 866 full-line and specialty retail stores in the United States operating through Kmart and Sears. Further, Holdings operates a number of websites under the sears.com and kmart.com banners which offer millions of products and provide the capability for our members and customers to engage in cross-channel transactions such as free store pickup; buy in store/ship to home; and buy online, return in store. Holdings is also the home of Shop Your Way®, a free membership program that connects its members to personalized products, programs and partners that help them save time and money every day. Through an extensive network of national and local partners, members can shop thousands of their favorite brands, dine out and access an array of exclusive partners like Uber® and fuboTV® to earn CASHBACK in points to redeem for savings on future purchases at Sears, Kmart, Lands' End and at ShopYourWay.com. The Sears MasterCard with Shop Your Way® features an industry-leading 5-3-2-1 rewards offer, where members can earn rewards points on all purchases everywhere they shop. Holdings is a leading home appliance retailer, as well as a leader in tools, lawn and garden, fitness equipment, automotive repair and maintenance, and is a significant player in the rapidly emerging connected solutions market. Holdings offers key proprietary brands including Kenmore® and DieHard®, as well as Craftsman® branded product offerings. Holdings' Kenmore and DieHard brands are also now available on Amazon.com. Holdings also maintains a broad apparel and home offering including such well-known labels as

Jaclyn Smith®, Joe Boxer®, Route 66®, Cannon®, Adam Levine® and Levi's® and also offers Lands' End® merchandise in some of our Full-line stores. Holdings is the nation's No. 1 provider of appliance and product repair services, with over five million service calls made annually.

List the names of any person who directly or indirectly owns controls, or holds, with power to vote, 5% or more of the voting securities of debtor:

ESL Investments, Inc. and its affiliates; and Fairholme Capital Management and its affiliates

**PROPOSED RESOLUTIONS OF  
THE BOARD OF DIRECTORS OF  
SEARS HOLDINGS CORPORATION**

WHEREAS, the board of directors (the “Board”) of Sears Holdings Corporation (the “Company”) has reviewed and had the opportunity to ask questions about the materials presented by the management and the legal and financial advisors of the Company regarding the liabilities and liquidity of the Company, the strategic alternatives available to it and the impact of the foregoing on the Company’s businesses; and

WHEREAS, the Board has had the opportunity to consult with the management and the legal and financial advisors of the Company to fully consider each of the strategic alternatives available to the Company; and

WHEREAS, the Board has reviewed, considered, and had the opportunity to ask questions about the Chapter 11 Case and Chapter 11 Filings (each as defined below) and the DIP ABL Term Sheet (as defined below).

**Chapter 11 Filing**

NOW, THEREFORE, BE IT RESOLVED, that the Board has determined, after consultation with the management and the legal and financial advisors of the Company, that it is desirable and in the best interests of the Company, its creditors, and other parties in interest that a petition be filed by the Company seeking relief under the provisions of chapter 11 of title 11 of the Bankruptcy Code; and be it further

RESOLVED, that any officer of the Company (each, an “Authorized Person”), in each case, acting singly or jointly, be, and each hereby is, authorized, empowered, and directed, with full power of delegation, to negotiate, execute, deliver, file and perform, in the name and on behalf of the Company, and under its corporate seal or otherwise, all petitions, schedules, motions, lists, applications, pleadings, orders and other documents (the “Chapter 11 Filings”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) (with such changes therein and additions thereto as any such Authorized Person may deem necessary, appropriate or advisable, the execution and delivery of any of the Chapter 11 Filings by any such Authorized Person with any changes thereto to be conclusive evidence that any such Authorized Person deemed such changes to meet such standard); and be it further

RESOLVED, that each Authorized Person, in each case, acting singly or jointly, be, and each hereby is, authorized, empowered, and directed, with full power of delegation, in the name and on behalf of the Company, to take and perform any and all further acts and deeds that such Authorized Person deems necessary, appropriate, or desirable in connection with the Company’s chapter 11 case (the “Chapter 11 Case”) or the Chapter 11 Filings, including, without limitation, (i) the payment of fees, expenses and taxes such Authorized Person deems necessary, appropriate, or desirable, and (ii) negotiating, executing, delivering, performing and filing any and all additional documents, schedules, statements, lists, papers, agreements, certificates and/or instruments (or any amendments or modifications thereto) in connection with, or in furtherance of, the Chapter 11 Case with a view to the successful prosecution of such Chapter 11 Case (such

acts to be conclusive evidence that such Authorized Person deemed the same to meet such standard); and be it further

### **Debtor-in-Possession Financing**

RESOLVED, that in connection with the Chapter 11 Case, it is desirable and in the best interests of the Company, its creditors, and other parties in interest to enter into and obtain loans and consummate the transactions under that certain senior secured superpriority priming debtor-in-possession asset-based credit facility in an aggregate principal amount of \$1.875 billion (the "DIP ABL Loan"), representing an increase of \$300 million from the existing facility, on terms set forth on the term sheet attached hereto as Exhibit A (the "DIP ABL Term Sheet"). The DIP ABL Loan, will be evidenced by such Term Sheet, and upon entry of the final order approving, among other things, the Company's entry into the DIP ABL Loan, a senior secured superpriority priming debtor-in-possession asset-based credit agreement, in each case to be entered into by and among, Sears Roebuck Acceptance Corp. ("SRAC") and Kmart Corporation ("Kmart", together with SRAC, the "DIP ABL Borrowers"), and Holdings and the other Loan Parties (as defined in the DIP ABL Term Sheet (other than the DIP ABL Borrowers) as guarantors (the "Guarantors"), the lenders from time to time party thereto (the "DIP ABL Lenders"), and Bank of America, N.A., as administrative agent for the DIP ABL Lenders (in such capacity and together with its successors, the "DIP ABL Agent") (together with the Exhibits and Schedules annexed thereto, the "DIP ABL Loan Credit Agreement" and together with the DIP Loan Documents (as defined in the Dip ABL Loan Term Sheet), the "DIP ABL Financing Documents"), in each case subject to approval of the United States Bankruptcy Court for the Southern District of New York which is necessary and appropriate to the conduct of the business of the Company; and be it further

RESOLVED, that the form, terms and provisions of (i) the DIP ABL Term Sheet, including the use of proceeds to provide liquidity for the Company throughout the Chapter 11 Case, substantially consistent with the DIP ABL Term Sheet, which has been presented to the Board and (ii) any and all of the other documents, agreements (including the DIP ABL Credit Agreement and the other DIP Loan Documents), including, without limitation, any guarantee and security agreement, letters, notices, certificates, documents and instruments authorized, executed, delivered, reaffirmed, verified and/or filed in connection with the DIP ABL Loan and the performance of obligations thereunder, including the borrowings, guarantees, granting of security and pledging of collateral contemplated thereunder, are hereby, in all respects confirmed, ratified and approved; and be it further

RESOLVED, that any Authorized Person is hereby authorized, empowered, and directed, in the name and on behalf of the Company, to cause the Company to negotiate and approve the terms, provisions of and performance of, and to prepare, execute and deliver the DIP ABL Term Sheet and DIP ABL Credit Agreement, in the name and on behalf of the Company under its corporate seal or otherwise, and such other documents, agreements, instruments and certificates as may be required by the DIP ABL Agent or required by the DIP ABL Term Sheet, including the DIP ABL Credit Agreement; and be it further

RESOLVED, that the Company be, and hereby is, authorized to incur the obligations and to undertake any and all related transactions contemplated under the DIP ABL Financing Documents including the borrowing and reborrowing of loans, guaranteeing of

obligations of the Borrowers, granting of security thereunder and the pledging of collateral; and be it further

RESOLVED, that any Authorized Person is hereby authorized to grant security interests in, and liens on, any and all property of the Company as collateral pursuant to the DIP ABL Financing Documents to secure all of the obligations and liabilities of the Company thereunder to the respective lenders and agents under the DIP ABL Financing Documents, and to authorize, execute, verify, file and/or deliver to the DIP ABL Agent, on behalf of the Company, all agreements, documents and instruments required by the respective lenders and agents under the DIP ABL Financing Documents in connection with the foregoing; and be it further

RESOLVED, that any Authorized Person, in connection with the DIP Financing, be authorized, empowered, and directed to negotiate and obtain the use of cash collateral or other similar arrangements, including, without limitation, to enter into any guarantees and to pledge and grant liens on and security interests in any and all property of the Company as may be contemplated by or required under the terms of any cash collateral agreements or other similar arrangements entered into in connection with the DIP Financing, in such amounts as is reasonably necessary for the continuing conduct of the affairs of the Company in the Chapter 11 Case and any of the Company's affiliates who may also, concurrently with the Company's petition, file for relief under the Bankruptcy Code; and be it further

RESOLVED, that any Authorized Person is hereby authorized, empowered, and directed, in the name and on behalf of the Company, to take all such further actions including, without limitation, to pay all fees and expenses, in accordance with the terms of the DIP ABL Financing Documents, which shall, in such Authorized Person's sole judgment, be necessary, proper or advisable to perform the Company's obligations under or in connection with the DIP ABL Term Sheet, DIP ABL Credit Agreement or any of the other DIP ABL Financing Documents and the transactions contemplated therein and to carry out fully the intent of the foregoing resolutions; and be it further

RESOLVED, that any Authorized Person is hereby authorized, empowered, and directed, in the name and on behalf of the Company, to execute and deliver any amendments, supplements, modifications, renewals, replacements, consolidations, substitutions and extensions of the DIP ABL Term Sheet, the DIP ABL Credit Agreement and/or any of the DIP ABL Financing Documents, in each case consistent with the DIP ABL Financing Documents, which shall, in such Authorized Person's sole judgment, be necessary, proper or advisable; and be it further

#### **Retention of Advisors**

RESOLVED, that the law firm of Weil, Gotshal & Manges LLP, located at 767 Fifth Avenue, New York, New York 10153, is hereby retained as attorneys for the Company in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that the firm of M-III Advisory Partners, LP, located at 30 Rockefeller Plaza, New York, NY 10112, is hereby retained as financial advisor for the Company in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that the firm of Lazard Freres & Company, located at 30 Rockefeller Plaza, New York, NY 10112, is hereby retained as investment banker for the Company in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that the firm of DLA Piper LLP, located at 500 Eighth Street, NW, Washington, DC 20004, is hereby retained to provide the Company with additional real estate and advisory services in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that the firm of Prime Clerk, located at 830 Third Avenue, 9th Floor, New York, NY 10022, is hereby retained as claims, noticing and solicitation agent for the Company in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that, with respect to each Company, each Authorized Person, in each case, acting singly or jointly, be, and each hereby is, authorized, empowered, and directed, with full power of delegation, in the name and on behalf of the Company, to negotiate, execute, deliver, file and perform any agreement, document or certificate and to take and perform any and all further acts and deeds (including, without limitation, (i) the payment of any consideration and (ii) the payment of fees, expenses and taxes) that such Authorized Person deems necessary, proper, or desirable in connection with the Company's Chapter 11 Case, including, without limitation, negotiating, executing, delivering and performing any and all documents, agreements, certificates and/or instruments (or any amendments or modifications thereto) in connection with the engagement of professionals contemplated by these resolutions, with a view to the successful prosecution of the Chapter 11 Case.

### **Dissolution of Committees**

WHEREAS, in light of the role and responsibilities of the Restructuring Committee in connection with the Chapter 11 Case, the functions of the Related Person Transactions Subcommittee of the Audit Committee of the Board (the "RPT Committee"), the Real Estate Transactions Subcommittee of the Audit Committee of the Board (the "RE Transactions Committee"), the Strategic Planning Committee of the Board (the "Strategic Planning Committee"), and the Special Committee of the Board (the "Special Committee") are no longer necessary.

NOW, THEREFORE, BE IT RESOLVED, that each of the RPT Committee, RE Transactions Committee, the Strategic Planning Committee and the Special Committee is hereby dissolved.

### **Ratification**

RESOLVED, that any and all past actions heretofore taken by any Authorized Person, any director, or any member of the Company in the name and on behalf of the Company in furtherance of any or all of the preceding resolutions be, and the same hereby are, ratified, confirmed, and approved in all respects.

### **General Authorization**

RESOLVED, FURTHER, that the Authorized Persons, each of whom may act

without the joinder of any of the others, be, and each of them individually hereby is, authorized and directed, in the name and on behalf of the Corporation, to take or cause to be taken all such further actions, including without limitation, negotiating, signing, executing, acknowledging, certifying, attesting, delivering, accepting, recording and filing (with such changes as such Authorized Person shall approve, the execution and delivery thereof or the taking of such other action to be conclusive evidence of such approval) the Chapter 11 Case, the Chapter 11 Filings, the DIP ABL Credit Agreement and the retention of advisors and all such further documents, agreements, certificates and instruments and paying all fees, taxes and other expenses or payments, in each case as such Authorized Person, in such Authorized Person's sole discretion, may determine to be necessary, appropriate or desirable in order to fulfill the intent and accomplish the purposes of the foregoing resolution, such determination to be conclusively evidenced by the taking of any such further action; and

RESOLVED, FURTHER, that any actions taken by any Authorized Person, for or on behalf of the Corporation, prior to the date hereof that would have been authorized by these resolutions but for the fact that such actions were taken prior to the date hereof be, and they hereby are, authorized, adopted, approved, confirmed and ratified in all respects as the actions and deeds of the Corporation.

**Fill in this information to identify the case:**

Debtor name: Sears Holdings Corporation  
 United States Bankruptcy Court for the: Southern District of New York  
(State)  
 Case number (If known): \_\_\_\_\_

☐ Check if this is an amended filing

## Official Form 204

# Chapter 11 or Chapter 9 Cases: Consolidated List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

**A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.**

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim		
					If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.	Total claim, if partially secured	Deduction for value of collateral or setoff
							Unsecured claim
1	The Pension Benefit Guaranty Corporation Attn.: Office of the Chief Counsel 1200 K Street, N.W., Suite 300 Washington District of Columbia 20005	Attn.: Office of the Chief Counsel Phone: 202-326-4110 Facsimile: 202-326-4114 Email:	Pension Benefits				Unknown
2	SRAC Medium Term Notes c/o BNY Midwest Trust Company Attn.: President or General Counsel 101 Barclay St., Floor 8W, New York, New York 10286	Attn.: President or General Counsel Phone: 312-294-5200 Facsimile: Email:	Unsecured Notes				\$2,311,800,000.00
3	Holdings Unsecured Notes (8.00%) c/o Computershare Trust Company, N.A. Attn.: President or General Counsel 250 Royal Street Canton, Massachusetts 02021	Attn.: President or General Counsel Phone: 781-575-2000 Facsimile: 781-575-4210 Email:	Unsecured Notes				\$411,000,000.00
4	Holdings Unsecured PIK Notes (8.00%) c/o Computershare Trust Company, N.A. Attn.: President or General Counsel 250 Royal Street Canton, Massachusetts 02021	Attn.: President or General Counsel Phone: 781-575-2000 Facsimile: 781-575-4210 Email:	Unsecured Notes				\$222,600,000.00
5	SRAC Unsecured Notes c/o The Chase Manhattan Bank, N.A. Attn.: Corporate Trust Department 4 Chase MetroTech Center, 3rd Floor Brooklyn, New York 11245	Attn.: Corporate Trust Department Phone: Facsimile: Email:	Unsecured Notes				\$185,600,000.00
6	SRAC Unsecured PIK Notes c/o BNY Midwest Trust Company Attn.: President or General Counsel 101 Barclay Street, Floor 8W New York, New York 10286	Attn.: President or General Counsel Phone: 312-294-5200 Facsimile: Email:	Unsecured Notes				\$107,900,000.00

Debtor

Sears Holdings Corporation  
Name

Case number (if known)

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
7	Whirlpool Corporation Attn.: President or General Counsel 2000 North M-63 Benton Harbor, Michigan 49022	Attn.: President or General Counsel Phone: 269-923-5000 Facsimile: 269-923-3722 Email:	Trade Payable				\$23,409,729.00
8	Frigidaire Company c/o Electrolux Attn.: President or General Counsel P.O. Box 2638 Carol Stream, Illinois 60132-2638	Attn.: President or General Counsel Phone: 786-388-6400 Facsimile: Email:	Trade Payable				\$18,617,186.00
9	Winia Daewoo Electronics America Attn.: President or General Counsel 65 Challenger Road, Suite 360 Ridgefield Park, New Jersey 07660	Attn.: President or General Counsel Phone: 877-393-7823 Facsimile: Email:	Trade Payable				\$15,180,156.00
10	Cardinal Health Attn.: President or General Counsel 7000 Cardinal Place Dublin, Ohio 43017	Attn.: President or General Counsel Phone: 614-757-5000 Facsimile: Email:	Trade Payable				\$13,877,913.00
11	Icon Health and Fitness Inc. Attn.: President or General Counsel 1500 South 1000 West Logan, Utah 84321	Attn.: President or General Counsel Phone: 877-993-7999 Facsimile: 435-750-5238 Email:	Trade Payable				\$12,102,200.00
12	HK Greatstar Int'l Co. Ltd. Attn.: President or General Counsel Rm 35, 4/F., Po Yip Building 23 Hing Yip Street, Kwun Tong, Kowloon, Hong Kong	Attn.: President or General Counsel Phone: 852 2110 4002 Facsimile: 852 3585 6687 Email:	Trade Payable				\$10,354,683.00
13	Samsung Electronics America HA Attn.: President or General Counsel 85 Challenger Road, 7th Floor Ridgefield Park, New Jersey 07660	Attn.: President or General Counsel Phone: 201-229-4000 Facsimile: 201-229-4029 Email:	Trade Payable				\$8,054,247.00
14	Apex Tool International LLC Attn.: President or General Counsel 910 Ridgebrook Road, Suite 200 Sparks, Maryland 21152	Attn.: President or General Counsel Phone: 410-773-7800 Facsimile: 800-234-0472 Email:	Trade Payable				\$6,605,582.00
15	Black & Decker US Inc. c/o Stanley Black & Decker Attn.: President or General Counsel 1000 Stanley Drive New Britain, Connecticut 06053	Attn.: President or General Counsel Phone: Facsimile: Email:	Trade Payable				\$5,893,734.00
16	Eastern Prime Textile Limited Attn.: President or General Counsel Unit F10/F, King Win FTY Building No. 65-67 King Yip Street, Kwun Tong, Kowloon, Hong Kong	Attn.: President or General Counsel Phone: 852 21918293 Facsimile: 852 27939353 Email:	Trade Payable				\$5,761,992.00
17	Winners Industry Company Limited Attn.: President or General Counsel Unit A, Wah Lung Building 49-53 Wang Lung Street, Tsuen wan, New Territories, Hong Kong	Attn.: President or General Counsel Phone: 86 769 83213199 Facsimile: 86 769 83213177 Email:	Trade Payable				\$5,359,201.00

Debtor

Sears Holdings Corporation  
Name

Case number (if known)

Name of creditor and complete mailing address, including zip code		Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
18	Tata Consultancy Services Ltd. Attn.: President or General Counsel 379 Thornal Street, 4th Floor Edison, New Jersey 08837	Attn.: President or General Counsel Phone: 732-590-2600 Facsimile: Email:	Trade Payable				\$5,333,545.00
19	Active Media Services Inc. Attn.: President or General Counsel 1 Blue Hill Plaza Pearl River, New York 10965	Attn.: President or General Counsel Phone: 845-735-1700 Facsimile: 845-735-0717 Email:	Trade Payable				\$5,192,874.00
20	Automotive Rentals Inc. Attn.: President or General Counsel 4001 Leadenhall Road Mount Laurel, New Jersey 08054-4611	Attn.: President or General Counsel Phone: Facsimile: Email:	Trade Payable				\$4,830,313.00

**Fill in this information to identify the case:**

Debtor name: Sears Holdings Corporation  
United States Bankruptcy Court for the: Southern District of New York  
(State)  
Case number (If known): \_\_\_\_\_

**Official Form 202**

**Declaration Under Penalty of Perjury for Non-Individual Debtors**

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

**WARNING – Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.  
I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☐ Schedule A/B: Assets–Real and Personal Property (Official Form 206A/B)
- ☐ Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D)
- ☐ Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)
- ☐ Schedule G: Executory Contracts and Unexpired Leases (Official Form 206G)
- ☐ Schedule H: Codebtors (Official Form 206H)
- ☐ Summary of Assets and Liabilities for Non-Individuals (Official Form 206Sum)
- ☐ Amended Schedule \_\_\_\_\_
- ☒ Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders (Official Form 204)
- ☐ Other document that requires a declaration \_\_\_\_\_

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 15, 2018  
MM / DD / YYYY

X

/s/ Mohsin Y. Meghji  
Signature of individual signing on behalf of debtor

Mohsin Y. Meghji  
Printed name

Chief Restructuring Officer  
Position or relationship to debtor